

HOW TO MARKET THE LAW DEPARTMENT WITHIN YOUR COMPANY

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About Signe Distinctif

CONSULTING FIRM FOR LEGAL ORGANIZATIONS

► Analyzing

- ▶ Custom surveys and benchmarking
- ▶ Industry specific surveys
- ▶ Client satisfaction surveys

► Training

- ▶ Trainings in marketing and management for In-house lawyers
- ▶ Trainings with staff and line departments

► Sustaining development

- ▶ Customer centric view (internal marketing and communication)
- ▶ Expand law culture within the firm
- ▶ Management of law department (hiring process, skills analyses, leadership)



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CONFERENCE THEMES



- ▶ **The evolution of law departments**
- ▶ **Why do you need to market your law department ?**
- ▶ **How to market your law department ?**
- ▶ **Positioning**
- ▶ **Internal communication : design and tools**
- ▶ **How to create and demonstrate added value ?**

The evolution of legal departments



- ▶ **Legal matters have become more complex :**
 - ▶ Complexity of legal environment . New regulatory requirements.
 - ▶ Compliance obligations
 - ▶ Rise of the reputational risk (France Telecom / Stress at work)
 - ▶ Study from The Economist Intelligence Unit : "Making the most of regulatory risk management" : 80% of senior professionals have become more concerned by regulatory risk within last 2 years.

- ▶ [From juristus primitivus to SuperLawyer](#)

The evolution of legal departments



► A better positioning and recognition within the firm

- 60% attached to CEO (Panorama 2008).

► A young function :

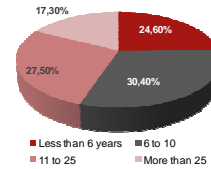
- 55% of Law firms are less than 10 years old.

► Many sectoral differences

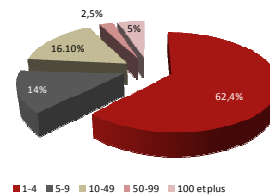
► Still a lack of resources :

- 62.4% of law departments have less than 5 In-house lawyers

Existence of Law departments



Ressources of Law departments



But how can we encourage progress ?
Marketing isn't The answer, but marketing is an answer

What marketing can do ?



► What is marketing ?

- Marketing isn't only internal communication
- Marketing is listening, listening and listening
- Marketing is all about how to create and deliver superior value to clients.

► Why implement marketing tactics and tools within the law department ?

- To convince internal clients of the importance of legal matters
- To better satisfy internal clients
- To organize the law department and improve efficiency

Key characteristics of Service Marketing

▶ Intangibility

- ▶ You cannot hold or touch a service unlike a product. The experience clients obtain from the service has an impact on how they will perceive it.
- ⇒ *We must explain to the client what the service will be, and how he will benefit from it.*

▶ Inconsistency

- ▶ Services cannot be separated from the service providers. It is very difficult to make each service experience identical, it depends on the lawyer experiences, time, stress ...It's a relationship marketing linked to management.
- ⇒ *You have to make sure the service provided is consistent all the time. Skills and process are essentials ; define characteristics of service quality ;*

Key characteristics of Service Marketing

▶ Inseparability

- ▶ The client is an active participant and co-produce the service. The quality of the service depends on the requirements, specifications, communications and degree of participation.
- ⇒ *You have to work on customer involvement and customer listening and understanding. (from inside out to outside in marketing practice)*

▶ Inventory

- ▶ The service is perishable. It can't be either stored nor saved. It's difficult to cope with fluctuant demand.
- ⇒ *You have to synchronize supply and demand ; educate internal clients ; to plan resources ; to prioritize missions and demands (forget Lifo / Fifo !)*

Characteristics of law department Marketing



▶ Who are the clients ?

- ▶ Promotion vs Independence

▶ A market to educate

- ▶ To understand when and how to use law department
- ▶ To encourage risk and law culture
- ▶ To develop new habits

▶ A marketing to adapt to the firm culture

▶ Priceless but costless !

- ▶ Psychological aspects of the price make it difficult to demonstrate the value added. What's costless often seems valueless.
- ▶ *Example of winning a car*

How to market the law department ?



Understand

Answer

Satisfy

Strategic
analysis

market
understand
ing

Answer
and
innovate

Client
centric

Measur
ement

SWOT
Marketing Audit
Understanding needs
Segmentation
Positioning

Offers structuring
Skills to deliver the
perfect value
Innovation
Communicate

Relationship marketing
Client Centric Process
Satisfaction measurement

- ▶ Marketing is a permanent process
- ▶ Marketing is first about strategy
- ▶ Which is our environment ?
- ▶ Who are our clients ?
- ▶ Which value do we deliver ? Which better value can we deliver ? And how ?

Strategic intent



► Who we are ?

- Mission : why we exist ?
- Values : what we believe in and how we will behave ?
- Vision : what do we want to be ?
- Strategy : how will we succeed : objectives, domains, advantages

Main missions of the legal department *

	%
Assurer la sécurité juridique de l'activité	95,9%
Faciliter les opérations stratégiques	64,4%
Protéger les actifs de l'entreprise	45,2%
Assurer la sécurité juridique des dirigeants	43,8%
Autre	4,1%
Total / répondants	253,4%

Be careful : those results are only first results of our online survey (75 participants) Final results will be available within one month.

Strategic intent



► Swot of the Law Departments

- SWOT analysis is a tool for auditing an organization and its environment. It is the first stage of planning and helps to concentrate on key issues.

strengths What do we perform the best ? Interpersonal Skills Quality processes and procedures	Weaknesses Lack of recognition Difficulty in communication Turn over Lack of resources
Opportunities New management New regulations	Threats Internal wars ! Economic crisis New regulations

What's our marketing today ?



► Marketing audit

- It is conducted not only at the beginning of the process, but also at a series of points during the implementation of the marketing plan.
- Do we have formal marketing plan ? What are our current objectives for marketing? What are our current marketing strategies? How are we perceived ? What customers 'value' and how we provide that 'value?.' Do we have key customer strategy ? ...

Understanding the internal market



► Internal market mapping

- The market mapping process is designed to ensure capture of all the players and decision makers within the firm.
- Who are the clients ?
 - The company
 - CEO
 - Staff and line departments
 - External customers
- Who are the competitors ?
 - Internet ! I can do it myself !
 - Law firms selected by each department
 - Risk manager ?

Who are the 4 main clients of the legal department

	%
Direction Générale	84,7%
Direction Commerciale / Ventes	75,0%
Direction Administrative et Financière	62,5%
Direction achat	34,7%
Direction Marketing	25,0%
Direction des Ressources Humaines	23,6%
Direction Recherche et développement	23,6%
Direction(s) de la production	22,2%
Direction des Systèmes d'information	12,5%
Direction immobilière	12,5%

Do your law department meets external clients ?

	%
Oui	69,9%
Non	23,3%
Nsp	6,8%
Total	100,0%

Understanding the internal market



► Understanding the needs, What do clients expect ?

- In terms of missions and offers
 - ⇒ Security, lobbying ...
- In terms of service delivery
 - ⇒ Reactivity / Pragmatism / Creativity
- In terms of experience (process of work)
- ⇒ Understanding explicit and less obvious needs. *Organize one to one interviews and surveys*

► Market segmentation

- Priorities : hierarchy ; risks
- From first to last adopters : where can we add maximum value ? (service co-production)
- Friends and enemies
- Different kind of needs

Answer and Innovate



► Structuring offers and actions

Clients	Needs	Objectives	Actions	Time / Budget	Responsible
CEO					
Sales					
External clients					

Fist defining the necessary action plans is a good way to :

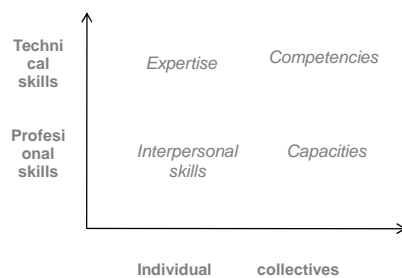
- Get the overall picture of the various answers to client needs
- Design your marketing offer starting from required actions (training, consulting, risk analysis, lobbying ...)

Answer and Innovate



► Skills management

- Well-implemented skills management should identify the skills that job roles require, the skills of individual employees, the skills of law department, and any gap between the two.
- Auditing skills
- Designing skills portfolio / skills matrix
- Training



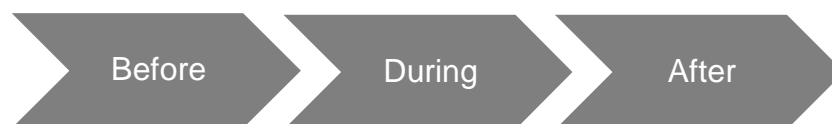
What are the 4 main requirements in terms of service quality

	%
Réactivité	82,2%
Compréhension du business	64,4%
Pragmatisme	50,7%
Créativité des solutions proposées	47,9%
Proactivité	32,9%
Clarté	30,1%
Flexibilité	28,8%
Sens du service	17,8%
Pédagogie	15,1%
Engagement	13,7%
Ecoute	11,0%
Autre	1,4%
Total / répondants	395,9%

Client listening



"Since all clients are skeptical, they need to be given a good reason to expose their problems to you." D. Maister.



- Understanding needs
- Understanding process
- Understanding clients of clients
- Formalize and specify
- Regular feedbacks
- Adjust the services
- Sharing information
- Make it easy for your client to communicate with you
- Feed Back

Marketing works when it demonstrate, not when it asserts
 Trust may need to be established before a meaningful relationship can begin
 You have to know clients, their matters, their projects, their practices
 Know individually : their lives, difficulties ...
 Analyze key steps of the mission

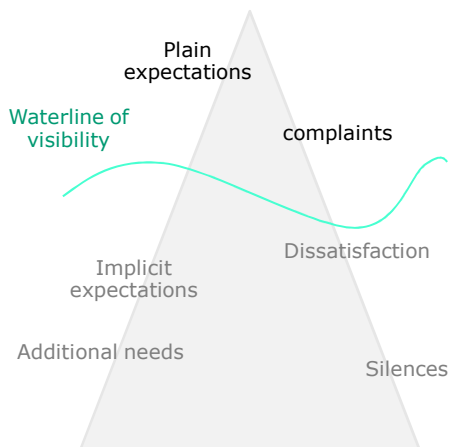
Measurement

Do you measure service quality ?

	%
Yes	25.5%
No	74.5%

- ▶ The best way to find out whether your customers are satisfied is to ask them.
 - ▶ One to One feed back
 - ▶ Customer satisfaction survey
 - ⇒ When you conduct a customer satisfaction survey, what you ask the customers is important. How, when, and how often you ask these questions are also important. However, the most important thing about conducting a customer satisfaction survey is what you do with their answers.

Measurement



Complaint management can only be achieved if complaints registered give a comprehensive view of the annoyances perceived by customers.

There are many “unvoiced” and “hidden” complaints, registered complaints show only the tip of the “annoyance iceberg” leading to misinterpretations and wrong allocation decisions.

27% of law departments have already conducted satisfaction survey

Satisfaction survey



▶ Well define your objectives

- ▶ Improve service quality, correct dysfonctions, manage the efforts, understand hidden expectations, understand complaints

▶ 5 mains steps :

- ▶ Survey preparation : who will be interviewed ? (which departments ? Which individuals ?), when ?, questionnaire structure
- ▶ Diagnostic : identify expectations
- ▶ Quantitative analysis : main results
- ▶ Communication : reports, meetings ...
- ▶ Following-up : supervise actions efficiency

Positioning



- ▶ Positioning is to create an image or identity **in the minds** of the target market.
- ▶ “Re-positioning” involves changing the identity of the department
 - ⇒ How are you perceived today ?
 - ⇒ How do you want to be perceived tomorrow ?

	Hier	Aujourd' hui	Demain
. Contraintes	54	19	4
Pompier	48	29	3
Formateur	14	40	32
Facilitateur de business	2	42	34
Solutionneur	10	56	30
Anticipateur	4	24	44
Stratège	2	11	50
	134	221	197

- ▶ Today : problem solver, business partner, trainer
- ▶ Tomorrow : strategic partner, beyond the problems

Positioning



- ▶ Positioning is choosing
- ▶ Positioning is a promise
 - ▶ Consistency and coherence
- ▶ A battle in client's mind
 - ▶ **Psychological aspects** first impressions always tend to become judgments. Tell the truth.
 - ▶ **Positive associations:** Promote just a key advantage. Ex : Joe H. Flom chez Skadden Arps.

Who ?
What ?
For Whom ?
Which needs ?
Against whom ?
What difference ?
So ? What distinctive advantage ?

Internal communication : design and tools



- ▶ The Communication Plan is a living and working document
- ▶ You have to convey the right message, from the right communicator, to the right audience
- ▶ **six basic elements of communications:** communicator, message, channel, feedback mechanism, receiver/audience, and time frame.
- ▶ A communication plan includes : "Who", "What" (Key Messages), "When" ; "Why" (objectives), How" (Communication Vehicle) ; "By Whom"

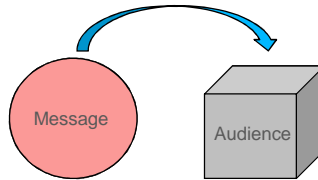
Communication with staff and line

	%
Participation aux réunions des opérationnels	74,6%
Diffusion de notes de synthèses	63,4%
Organisation de formations	63,4%
Mise en place d'un intranet juridique	32,4%
Rédaction d'une newsletter	15,5%
Autre	7,0%
Total / répondants	256,3%

Communication with CEO

	%
Reporting réguliers	74,6%
Participation aux Comités de Direction	67,6%
Plan annuel stratégique de la Direction Juridique	23,9%
Cartographie des risques juridiques	21,1%
Indicateurs de performance	15,5%
Présentation des résultats de l'enquête de satisfaction et des axes d'améliorati	9,9%
Autre	2,8%
Total / répondants	215,5%

► Adapt your messages to your targets



► How to choose the best vehicle ?



Different kind of vehicles

► Different meetings

- Upward information
- Downward information
- Sharing information

► Training

- Easy to implement
- Understand your audience (level of knowledge, involvement, resistance)
- Define objectives and prepare key messages
- Chose the right speaker

► Intranet

- Costly (time and money)

Different kind of vehicles

► Poster

- ▶ Direct impact
- ▶ In front of the office
- ▶ In front of the coffee machine !
- ▶ Ex : Human Resources Grand Thornton

► Newsletter

- ▶ For whom ? What for ?
- ▶ Define editorial framework
- ▶ Frequency
- ▶ Think about "success stories"
- ▶ Costly (time and money)

How to create added value ?

Perceived benefits -

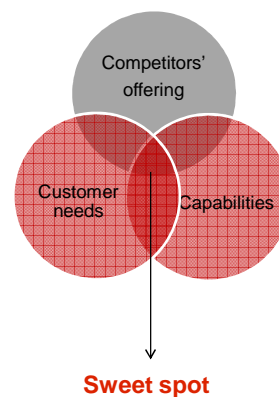
- ▶ In their work
- ▶ Emotional
- ▶ Individual

Perceived sacrifices

- ▶ Time
- ▶ Risks

- ▶ Create value is first of all not to destroy ! (Ex : Microsoft !)
- ▶ Value is in the eye of the beholder.
- ▶ Value is a **perception (Ex of graphic artist)**
- ▶ Value is relative, evolutive, and subjective

*How much customer value do we create ?
What will be done ?
How it will be done ?*



How to create added value ?



► Value added to the company depends on ?

- Firm legal environment
- Firm industry (services, manufacturing ..) and Firm competitive environment
- Firm culture (Risky, innovative ...)
- Firm matters, objectives and strategy

► Value added for each client depends on ?

- Specific expectations
- level of knowledge
- Involvement
- resistance

Client satisfaction : 3 types of value



Personal value

Learning

Surprise value

Beyond the expectations

First value

Promises

Loyalty /
Engage
ment

Satisfaction

Demonstrate value added



▶ MEF (Modele d'évaluation fonctionnelle)

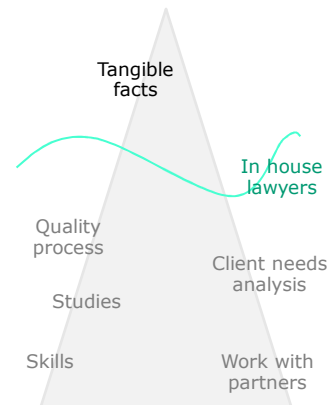
▶ New model to assess legal department

▶ 4 dimensions

- ⊖ Activity : does the department fulfill everything it should
- ⊖ Skills : audit of each in house lawyer's skills
- ⊖ Clients : satisfaction survey
- ⊖ Organization : optimization of key resources.

▶ Demonstrate value added on the firm security and assets

▶ Demonstrate value added for each client



Thank you for your attention



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If you want to receive the main results of our study on marketing and management practices of legal department,

you can already participate to our online survey :

<http://www.modalisa.com/ad-management-juridique/>